



State of Vermont
Vermont Department of Education
120 State Street
Montpelier, VT 05620-2501

To: Superintendents
Special Education Administrators

From: Karin Edwards, Director
Student Support Division

Date: July 30, 2007

Re: 2007-2008 Action Requirements for High Spending Special Education Districts

Act 82, Section 10 of the 2007 Legislature amended existing provisions in 16 VSA § 2974 related to requirements for districts whose special education formula spending exceeds 120 percent of the state average. Under the new provisions, “the commissioner and department staff shall assist the high spending districts, who have been identified in subsection (a) of this section and have not presented an explanation for their spending that is satisfactory to the commissioner, to identify reasonable alternatives and to develop a remediation plan. Development of the remediation plan shall include an on-site review. The district shall have two years to make progress on the remediation plan. At the conclusion of the two years or earlier, the district shall report its progress on the remediation plan.”

The timeline for implementing these new provisions is as follows:

- In **September 2007**, based on **2006-2007** spending data, the department will inform those districts whose spending exceeded the 120 percent spending threshold. The names of the identified districts and supporting child count and other data will be presented to the State Board of Education at its October meeting.
- During the **fall of 2007** DOE staff will help those districts identify reasonable alternatives to current service delivery practices to be incorporated into a cost reduction remediation plan. Remediation plans should address priority areas and strategies for cost reduction.
- Remediation plans should be completed in a timely fashion that allows full implementation during the **2008-2009 and 2009-2010** school years. To the extent that remediation plans may effect personnel decisions for unionized employees, plans should be completed prior to contractually negotiated timelines.

Doug Dows (doug.dows@state.vt.us; (802-828-5109) has been assigned the responsibility of coordinating the department’s support for identified districts. Please use the contact information above to initiate remediation plan development.

Act 82 goes on to say “within 30 days of receipt of the district’s report of progress, the commissioner shall notify the district that its progress is either satisfactory or not satisfactory.

If the district fails to make satisfactory progress, the commissioner shall notify the district that, in the ensuing school year, the commissioner shall withhold 10 percent of the district's special education expenditures reimbursement pending satisfactory compliance with the plan."

- At the conclusion of the 2009-2010 school year, districts will report to the commissioner on the progress of the implementation of the remediation plan and the resultant effect on spending. If progress is not satisfactory, the commissioner will notify the district that 10 percent of the reimbursement for special education formula expenditures for the upcoming fiscal year will be withheld. The district may appeal this decision to the State Board of Education before any funds are withheld. The commissioner has the opportunity to respond prior to the final determination of the State Board.
- At the conclusion of the 2007-2008 school year and each year thereafter, the department will review spending data to determine if additional districts have exceeded the high spending threshold. If new districts are identified, DOE staff will be provided to assist in the development of a remediation plan as previously described.

For additional information or clarification of this information please contact **J. Douglas Dows at 828-5109 or doug.dows@state.vt.us**.